MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2017 / 2018 SESSION

DOT5018 – ORGANISATIONAL THEORY

(All sections / Groups)

05 JUNE 2018
9.00 AM – 11.00 AM
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **EIGHT (8)** pages with **THREE (3)** sections.
2. Answer **ALL** questions.
3. For sections A and B, shade your answers in the OMR sheet provided.
4. For section B, shade "**A**" for **TRUE** statement and shade "**B**" for **FALSE** statement.
5. For section C, write your answers in the answer booklet provided.

SECTION A: MULTIPLE CHOICE QUESTIONS (each question carries 1.5 marks).

1. A newly hired sales trainee is encouraged to go into the marketplace, meet customers, and sell products her own way so that she can learn the appropriate tactics on her own. This is an example of a(n) _____.

   A) institutionalised role orientation
   B) serial socialisation tactic
   C) sequential training program
   D) individualised role orientation

2. A company invites all its employees to a birthday party. This is an example of a rite of _____.

   A) passage
   B) integration
   C) enhancement
   D) responsibility

3. In an organisation, who has the strongest property rights?

   A) Shareholders.
   B) Top managers.
   C) Employees.
   D) Customers.

4. A manager in a company believes that it is ok to give illegal bribes to city officials to get favourable decisions. His stance on corporate social responsibility could best be described as _____.

   A) defensive
   B) obstructionist
   C) accommodative
   D) proactive

5. Informing (by an employee) an outside person or agency, such as a government agency or a newspaper or television reporter, about an organisation's (its managers') illegal or immoral behaviour is known as _____.

   A) moonlighting
   B) surface bargaining
   C) whistle-blowing
   D) circular logrolling

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6. Mercedes-Benz used its competences in R&D and product development to enter the household products and aerospace industries. This is an example of a(n) _____ strategy.

A) environmental-level
B) functional-level
C) business-level
D) corporate-level

7. Land is an example of a(n) _____.

A) liquid asset
B) organisational resource
C) deferred revenue asset
D) functional resource

8. A core competence in _____ management can allow an organisation quickly to discover and respond to customer needs.

A) financial
B) human resource
C) materials
D) marketing

9. Typically, the manufacturing function in an organisation uses _____.

A) a high level of standardisation
B) an organic structure
C) a flat organisational structure
D) decentralised decision-making

10. MCD specialises in the chicken segment of the fast-food market. This is an example of a _____ strategy.

A) market penetration
B) focus
C) vertical integration
D) conglomerate diversification

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11. According to Charles Perrow, task _____ is the number of new or unexpected situations that a person encounters while performing a task.

A) variability
B) analyzability
C) customizability
D) adaptability

12. Which of the following technologies has low task variability and high task analyzability?

A) Routine manufacturing.
B) Craftwork.
C) Nonroutine engineering production.
D) Nonroutine research.

13. Which of the following technologies simplifies the process of developing prototypes?

A) CAD.
B) CAMM.
C) JIT inventory systems.
D) CIM.

14. Which of the following characteristics of organisational structure is most likely to resist organisational change?

A) Decentralised decision-making.
B) Standardisation of behaviour through rules and procedures.
C) Flat hierarchy of authority.
D) Extensive use of mutual adjustment.

15. _____ is the process of developing new goods and services.

A) Reengineering
B) Innovation
C) Restructuring
D) Functional reorganisation

16. Organisational inertia refers to the tendency of an organisation to _____.

A) increasing the number of products produced so as to take advantage of economies of scope
B) increase the diversity of its workforce
C) decrease cost of production by using economies of scale
D) resist change and maintain the status quo

Continued...

17. Which of the following terms refers to a sequence of stages of growth and development through which organisations may pass?

A) Organisational life cycle.
B) Organisational integration.
C) Organisational metamorphosis.
D) Organisational decentralisation.

18. According to the population ecology theory, which of the following strategies advocates entering a new environment early?

A) r-strategy.
B) K-strategy.
C) generalist strategy.
D) specialist strategy.

19. An entrepreneur designs a new product. Which of the following strategies is most likely to be pursued by the entrepreneur?

A) r-specialist.
B) r-generalist.
C) K-specialist.
D) K-generalist.

20. According to Weitzel and Jonsson's model of organisational decline, during which of the following stages of decline an organisation has the least chance of survival?

A) Inaction.
B) Faulty action.
C) Crisis.
D) Blinded.

21. Which of the following organisational learning strategies, proposed by James March, involves organisational members searching for and experimenting with new kinds or forms of organisational activities and procedures to increase effectiveness?

A) Exploration.
B) Exploitation.
C) Reciprocation.
D) Association.

Continued...

22. According to the _____ model of organisational decision-making, when selecting a set of new alternative courses of action, managers tend to choose those that are only slightly different from those used in the past, thus lessening their chances of making a mistake.

A) rational
B) incrementalist
C) Carnegie
D) garbage-can

23. Which of the following is the overall goal of total quality management (TQM)?

A) Achieving radical innovation.
B) Increasing environmental richness.
C) Decreasing bargaining power of suppliers.
D) Achieving continuous improvement.

24. _____ technological change refers to the improvements that are continuously made to particular technologies over time.

A) Quantum
B) Normative
C) Incremental
D) Mimetic

25. The _____ stage in a product life cycle begins when market demand peaks because most customers have already bought the product.

A) embryonic
B) growth
C) mature
D) decline

26. A "_____" is a task force, a temporary team that is created to expedite new product design and to promote innovation by coordinating the activities of functional groups. Typically, this team operates at a separate facility, at a location isolated from the rest of the organisation.

A) workers' union
B) kaizen group
C) skunk works
D) quality circle

Continued...

27. Which of the following is most likely to promote innovation in an organisation?

A) Adopting a product team structure.
B) Increasing vertical differentiation.
C) Decreasing the flexibility of the organisation.
D) Increasing the number of levels in the organisational hierarchy.

28. Which of the following stages in Pondy's model of organisational conflict comes immediately after the "felt conflict" stage?

A) Latent conflict.
B) Perceived conflict.
C) Conflict aftermath.
D) Manifest conflict.

29. A manufacturing department refuses to cooperate with a sales department because they had a big fight last month. Based on this information, the conflict between the two departments is at what stage of the Pondy's model of organisational conflict?

A) Conflict aftermath.
B) Manifest conflict.
C) Felt conflict.
D) Perceived conflict.

30. Mush is the only person in the finance department who knows how to fix the computer when it breaks down. The source of Mush's power is _____.

A) control over resources
B) control over the premises of decision-making
C) authority
D) nonsubstitutability

[TOTAL 45 MARKS]

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SECTION B: TRUE/FALSE QUESTIONS (each question carries 1 mark). Answers for this section should be shaded in the OMR form.

31. "Maintaining high standards" is an example of a terminal value.

32. Typically, organisations performing non-routine tasks have organic structures.

33. Mechanistic structure is characterised by a flat hierarchy, decentralised decision-making.

34. Non-programmed decision-making forces managers to rely on judgment, intuition, and creativity to solve organisational problems.

35. Organisational conflict is the clash that occurs when the goal-directed behaviour of one group blocks or thwarts the goals of another.

[TOTAL 5 MARKS]

SECTION C: STRUCTURED QUESTIONS

QUESTION 1

(a) Define property rights. (2 marks)

(b) Present any **THREE (3)** manager's rights and any **THREE (3)** workforce property rights. (9 marks)

[TOTAL: 11 MARKS]

QUESTION 2

State and explain the **THREE (3)** types of Joan Woodward production. Provide example for each production. (9 marks)

[TOTAL: 9 MARKS]

Continued...

QUESTION 3

(a) Differentiate between evolutionary change and revolutionary change in organisations. (4 marks)

(b) List and briefly explain the **THREE (3)** factors of organisational level resistance to change. (6 marks)

(c) Apply any **FOUR (4)** Organisation Development (OD) techniques to deal with resistance to change. (6 marks)

[TOTAL: 16 MARKS]

QUESTION 4

One of the mistakes that top managers often make as they control the innovation process is to fund too many development project simultaneously. Given the nature of this problem, it is necessary for managers to develop a structured process for evaluating different new product development proposals and deciding which to support. A common solution for this problem is to implement a stage-gate development funnel.

Statement 1

(a) Refer to *Statement 1*, draw the Stage-Gate Development Funnel and label it accordingly. (8 marks)

(b) Briefly discuss the stages in a stage-gate development funnel. (6 marks)

[TOTAL: 14 MARKS]

[TOTAL 50 MARKS]

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